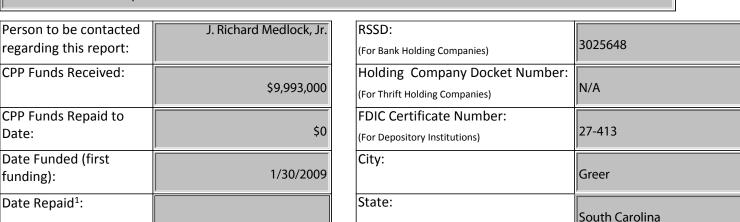
ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Greer	Bancshares	Incorporated
J	Dariesilares	micorporatea



¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

Increase lending or reduce lending less	
than otherwise would have occurred.	



	To the extent the funds supported	
	increased lending, please describe the	
	major type of loans, if possible	
	(residential mortgage loans, commercial	
	mortgage loans, small business loans,	
	etc.).	
_	Increase securities purchased (ADS NADS	The TADD founds received were used to murches investment and without a muride income to much
		The TARP funds received were used to purchase investment securities to provide income to pay the required dividends on the preferred stock issued to the Treasury. Investments purchased were
	etc.).	primarily mortgage backed securities that would provide cash flow to be used to satisfy loan
		demand.
	Make other investments	
	Increase reserves for non-performing	
	assets	

X	Reduce borrowings	Borrowings initially increased in the first half of 2009; however, in the first quarter of 2010, borrowings have been reduced as liquidity has permitted.
		borrowings have been reduced as inquidity has permitted.
	Increase charge-offs	
	Purchase another financial institution or	
	purchase assets from another financial institution	
	mstitution	
	Held as non-leveraged increase to total	
	capital	

What actions were you able to avoid because of the capital infusion of CPP funds?		
The most significant benefit of the TARP funds was to provide sufficient capital for the bank to be well-capitalized by regulatory definition. In the third quarter of 2008, the bank had written off approximately \$7.5 million relating to Fannie Mae preferred stock. The write down resulted in the bank's capital ratios declining below the minium to be considered well-capitalized. The decline in capital led to the FDIC restricting the use of brokered deposits and the Federal Home Loan Bank requiring a higher level of collateral to support the bank's borrowings. After the TARP funds were received, the restrictions and additional collateral requirements were alleviated.		

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?			

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.		

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.